

BEFORE THE STATE OF WASHINGTON  
ENERGY FACILITY SITE EVALUATION COUNCIL

IN RE APPLICATION NO. 99-1

EXHIBIT \_\_\_\_ (KC-RT)

SUMAS ENERGY 2 GENERATION  
FACILITY

**APPLICANT'S PREFILED REBUTTAL TESTIMONY**

**WITNESS : KATY CHANEY**

**Q. Please reintroduce yourself to the Council.**

A. My name is Katy Chaney. I am Manager of Pacific Northwest Environmental Services at URS (formerly Dames & Moore) in Seattle, and I am the Project Manager for Sumas Energy 2, Inc.'s application to EFSEC.

**Q. Which testimony are you responding to in rebuttal?**

A. I am responding to testimony on wetlands made by Department of Ecology witness Eric Stockdale and Department of Fish and Wildlife witness Curt Leigh, testimony on stormwater made by Department of Ecology witness Steve Hood, testimony on flooding made by Whatcom County witness Paula Cooper, testimony on water supply

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KATY CHANEY  
REBUTTAL TESTIMONY - 1

[31742-0001/Katy Chaney Rebuttal.doc]

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1 issues made by Whatcom County witness John Sproul, and testimony made by two of  
2 the City of Abbotsford witnesses, Peter Sagert and Connie Hoag.  
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7 **WETLANDS**  
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9 **Q. Mr. Stockdale and Mr. Leigh testify that the wetlands delineation of the site is**  
10 **inadequate. Do you agree with this testimony?**  
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12 **A.** No. Mr. Stockdale and Mr. Leigh each visited the site on one occasion and took  
13 photographs. By contrast, a wetlands delineation of the S2GF site and the natural gas  
14 pipeline was first conducted in 1992 by David Evans and Associates (DEA). Based on  
15 that delineation, DEA identified a total of 10.42 acres of jurisdictional wetlands and  
16 prior converted croplands (not including the forested wetlands). The delineation was  
17 reviewed in 1998 and 1999 by Bexar Environmental Consulting Ltd. Based on our  
18 discussions and the concerns raised by Eric Stockdale of WDOE, the site wetlands  
19 were resurveyed by John Wong of Bexar on May 17 and 18, 2000 using the 1987 U.S.  
20 Army Corps of Engineers Wetland Delineation Manual. John Wong has prepared a  
21 map showing the differences between the current delineation and the work previously  
22 performed by DEA. Mr. Wong has identified a total of 12.69 acres of which 4.22  
23 acres are jurisdictional wetlands and 8.47 acres are prior converted croplands. This  
24 map and a revised wetland mitigation report have been provided to the Department of  
25 Ecology and Department of Fish and Wildlife for their review, and is included as  
26 Exhibit \_\_ (JW-4) to rebuttal testimony provided by John Wong. Mr. Wong will  
27 address this issue further in his rebuttal testimony.  
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1 **Mr. Stockdale's testimony includes a lengthy discussion about Clean Water Act**  
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4 **agree with his testimony?**  
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7 A.  
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9 is a legal dispute about whether a state has any authority under Section 401 of the  
10 federal Clean Water Act to regulate areas – such as prior converted croplands – that  
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13 lawyers. The important point for EFSEC's purposes is that SE2 had John Wong go  
14 back out and do additional delineation of the site in response to the request from  
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19 developed an expanded wetland mitigation proposal that should more than adequately  
20 compensate for impacts to both jurisdictional wetlands and PCC lands. These issues  
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28 **Q. Mr. Stockdale testifies that the Army Corps of Engineers "agrees" that a portion**  
29 **statement accurate?**  
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34 A.  
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36 follows: “We are in agreement with the delineation report prepared by David Evans  
37 Associates, dated April 1, 1992. We recognize the Natural Resource Conservation  
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40 the power plant site as prior-converted croplands (not regulated by the U.S. Army  
41 Corps of Engineers (Corps)) and farmed wetlands.” The project summary, included at  
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REBUTTAL TESTIMONY 3

31742-0001/

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**P COIE**  
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3 **Q. In their testimony, Mr. Stockdale and Mr. Leigh state that SE2's wetlands**  
4 **mitigation proposal is inadequate to compensate for wetlands impacts. Do you**  
5 **agree?**  
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9 **A.** No. Their testimony is based on SE2's original proposal which has since been  
10 expanded. The site is approximately 37 acres. About half of it is currently being  
11 cropped with corn. In response to comments from WDFW and WDOE, Sumas  
12 Energy has committed to setting aside all areas not proposed for facility development  
13 for wetlands mitigation or preservation. This totals 15.31 acres (page 17 of Exhibit \_\_  
14 (JW-4)), or approximately 41 percent of the site, that is reserved for either mitigation  
15 or preservation. In addition, Sumas Energy has planned to set aside an additional 4.1  
16 acres for wetland mitigation area on the southern portion of property directly east of  
17 the site. SE2's total wetland mitigation and preservation area is now 19.41 acres (page  
18 17 of Exhibit \_\_ (JW-4)). Mr. Wong will discuss this issue in more detail in his  
19 rebuttal testimony.  
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32 Sumas Energy also proposes to move its construction staging area and construction  
33 parking to the northern portion of the property to the east of the site. This move  
34 responds to a concern raised by WDOE and WDFW that the previously proposed  
35 construction staging area and construction worker parking would compact the  
36 southwest corner of the site to the extent that it would not be useful for wetland  
37 mitigation. By moving its storage and parking areas, SE2 can begin the wetland  
38 creation and enhancement work on the southwest corner of the site at the same time  
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2 site construction starts. This means that the wetland creation and enhancement work  
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6 SE2's expanded proposal mitigates for both the loss of jurisdictional wetlands which  
8 are governed by the U.S. Army Corps of Engineers and the National Resource  
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11  
12 recent meeting, SE2 also agreed to undertake certain vegetation enhancements  
14 requested by WDFW. With this additional commitment, SE2 hopes that a stipulation  
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20 **Q. Some intervenor witnesses raise concerns regarding the disturbance of wetlands**  
21  
23 **concern?**  
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26 A. the second paragraph  
27  
29 under "Natural Gas Pipeline", we state that "Ten feet of the ROW has been dedicated  
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32 to equipment activity." We used the 80-foot wide area to calculate the impact area,  
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35 not the 10-feet stated in Mr. Stockdale's testimony. For the 4.5-mile long corridor,  
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38 temporarily impacted. As shown on Table 3.4-2 on page 3.4-11 of the Application,  
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41 six of the wetland areas (which include the Sumas River, Bone Creek and Johnson  
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44 wetlands are in agricultural use (cornfields or hayed pastures) and are regularly  
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47 disturbed by the cultivating and planting process. As shown on Figure 3.4-4 of the

1 Application, there are eleven transmission line poles planned for the U.S. portion of  
2 the route. These are planned to be placed within road or railroad right-of-way, and all  
3 except for one will be outside of wetland areas so as to span wetlands and Sumas  
4 Creek. The one impacted wetland will be less than 0.1 acre, however there is currently  
5 a permit in the Corps permitting process which would, if approved, allow the fill of  
6 this wetland. If this occurs prior to the installation of the transmission poles, there  
7 would be no impacts to wetlands. The construction would occur from the roadway.  
8 The impacts, as described on page 3.4-13 of the application, are limited to minor  
9 amounts of tree removal (primarily red alder and three bitter cherry) and cutting back  
10 of Himalayan blackberries within buffer areas. The blackberries are expected to  
11 return. As noted by Mr. Leigh, some of WDFW's concerns with pipeline and  
12 transmission line impacts on wetlands were resolved in the stipulation already filed  
13 with EFSEC.  
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29 **Q. Has mitigation been proposed for any wetland impacts along the utility**  
30 **corridors?**  
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32 A. Yes, the mitigation measures are shown beginning on page 3.4-18 of the Application.  
33 As I noted before, the first mitigation measure is to drill under the Sumas River, Bone  
34 Creek and Johnson Creek. The other wetlands are in agricultural use, and the pipeline  
35 construction would be a temporary impact. To mitigate and restore the wetland  
36 functions, we have proposed a series of Best Management Practices (see page 3.4-18  
37 of the Application) that are recommended by the U.S. Army Corps of Engineers and  
38 the Washington Department of Ecology for the installation of utility lines in emergent  
39 wetland areas. For the transmission lines, again the footings are planned to be placed  
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1 outside of wetland areas. If trees are required to be topped and it incidentally falls  
3 within wetland areas, the debris will be left in place for wildlife habitat. Cut debris will  
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## 9 STORMWATER SYSTEM

10 **Q.**

12 **Was the pond redesigned?**  
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15 A. ttal testimony will address this issue in more  
16 detail. Very generally, the original site proposal contained a rectangular stormwater  
18  
19 the U.S. Environmental Protection Agency (EPA) asked that the stormwater  
21 detention system be designed to have two ponds and certain environmental features.  
22

24 *See Appendix E to Exhibit*  
25

27  
28 second cell is designed to provide some biological treatment for stormwater but will  
30 primarily act as a detention or storage area. The proposed design was reshaped to  
31  
33 that can provide some resting area for wildlife. We showed the preliminary  
34 stormwater detention plan to Curt Leigh at a meeting on May 4, 2000, and he  
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42 **Q. Mr. Leigh testify**  
43 **wetlands and the wetlands mitigation required. Is this correct?**  
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46

1 A. Yes and no. Mr. Leigh is correct that increasing the size of the pond to meet EPA's  
2 request does increase the size of the wetland excavation area. That is why the original  
3 application showed 1.9 acres of jurisdictional wetlands to be filled, and we are now at  
4 2.81 acres. However, the second pond will also provide some wetland mitigation.  
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6 This issue will be addressed further in the rebuttal testimony of John Wong.  
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### 13 FLOOD ASSESSMENTS

14 **Q. Ms. Cooper, a witness for Whatcom County, testifies that additional flood**  
15 **modeling could be done to evaluate whether or not other floodplain properties**  
16 **would be adversely affected by filling of the Sumas Energy site. Do you agree?**  
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20 A. David Carlton will respond to the specifics of Ms. Cooper's testimony. However, I  
21 would like to point out that the SE2 Application does address flood impacts. (*See*  
22 Application sections 2.15.4, 3.3.4) The flood assessment is based on work performed  
23 by KCM for the City of Sumas in 1997. The KCM work assessed flood impacts from  
24 anticipated filling of the entire area zoned by the City of Sumas for future industrial  
25 use. The Sumas Energy site occupies a small portion of the City's industrial zone.  
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27 This work was used by the City of Sumas and adopted in their Floodplain  
28 Management Plan and Environmental Impact Statement, and the proposed project is  
29 consistent with that plan.  
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41 **Q. Ms. Hoag testifies that the modeling done by the City shows that fill for the**  
42 **project will increase flood depths at a neighboring property and those neighbors**  
43 **"have expressed concern" about floodwaters reaching their barn. Do you have a**  
44 **response to this testimony?**  
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1 A. In the DEIS, on page 3.2-27, t  
3 on other properties, as caused by the filling of the power plant site. The DEIS  
4 concludes "given the relatively small area of the floodplain to be raised and other  
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9 acknowledges on page 3.2-28 that the site itself would contribute its share of overall  
10 flood level increase caused by development of the industrially zoned area. If the  
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15 to one foot. The DEIS concludes that this is more of an impact of the industrial  
16 zoning and filling than from the S2GF project itself. My understanding of the KCM  
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21 industrial area. For the S2GF site, we are proposing to fill approximately 20 acres of  
22 the 37-acre site, and also to preserve another 4.1 acres of the property to the east. If  
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27 actual flooding potential would appear to be less than the KCM study anticipated. As  
28 explained above, the City's flood analysis evaluated flood impacts from fill of a much  
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33 addressed in the City's Floodplain Management Plan.  
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## 36 CANADIAN IMPACTS 37

39 **In his testimony, Mr. Sagert contends that SE2's application should have**  
40 **"provided a more balanced description of the Canadian side of the border." Do**  
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45 A. No. SE2's air quality modeling region does include British Columbia, and MFG has  
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1  
2 study on ambient ground level ozone concentrations from the project. This study is  
4 included as Appendix B-7 to the Application. This issue is discussed in greater detail  
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10 **Q. Mr.**  
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13 **the results of the *Greater Vancouver – Fraser Valley Air Quality Strategic Plan***  
14 **and other measures. Do you have a response to this suggestion?**

16 A. As I noted in my prefiled direct testimony, as part of the environmental review of the  
17 SE2 project, SE2's consultants performed some of the most extensive air quality  
19 modeling analyses ever conducted in the Pacific Northwest. Additional air quality  
20 studies will likely be underway most of the time in this region. It would be impractical  
22 and impossible to await the results of all potentially relevant studies before considering  
23 or permitting the SE2 or other applications. Moreover, from Mr. Sagert's testimony,  
25 it appears that the results of the study he references will address or evaluate Canadian  
26 air quality management strategies and procedures. It would seem inappropriate to  
28 hold up permitting a facility until a government entity, Canadian or American,  
29 evaluated and established its own policies on air issues. Projects could easily be put on  
31 indefinite hold if that was the case.  
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40 **Q. Mr. Sagert claims that the principles of the State Environmental Policy Act,**  
41 **including cumulative effects, worst case analyses on the environment and health**  
43 **effects, and effects on Canada, have not been addressed. Do you agree?**  
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1 A. I do not agree. However, the place for addressing these issues is the DEIS, not the  
2 Application.  
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7 **ADDITIONAL INFORMATION**  
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9 **Q. Mr. Sproul, a witness on behalf of Whatcom County, testifies that it may be**  
10 **appropriate to have additional specialists (e.g. hydrologists, soil scientists, fish**  
11 **habitat biologists, air quality experts, sociologist, etc.) evaluate the social and**  
12 **ecological aspects of the project and comparable water use alternatives. Do you**  
13 **agree?**  
14

15 A. No. Both the Application for Site Certification and EFSEC's Draft Environmental  
16 Impact Statement (DEIS), include extensive analysis of the social and ecological  
17 aspects of the project. The project team for the Application included approximately  
18 20 geologists, water quality engineers, air and noise scientists, planners, biologists, and  
19 cultural resource specialists. Over 2100 hours were expended by technical experts at  
20 Dames & Moore alone, not counting work performed by subcontractors such as MFG  
21 who performed the air quality modeling. The DEIS, prepared by another team of  
22 specialists at Jones & Stokes, continued on to add a comparison with the No Action  
23 alternative. In addition, it is noteworthy that the proposed project would provide a  
24 gross annual payroll of \$1.35 million to local residents, \$1.2 million in annual  
25 purchases, \$1.78 million in sales, use and other indirect business taxes, and several  
26 million dollars per year in property taxes. (See page 8.1-9, third and fourth  
27 paragraphs, of the Application). This will improve funding for local schools and  
28 governmental programs. The SE2 project will also create jobs in the area during  
29 construction and operation. At the same time not causing such an influx of people that  
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1 strains local public services -- usually measured for SEPA purposes in terms of  
2 impacts on housing, schools, parks, roads, police, fire, and utilities.  
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## 6 **SITE LOCATION**

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8 **Q. Mr. Sagert testifies that he believes there are site limitations associated with the**  
9 **S2GF project. Do you agree?**  
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12 **A.** No. Based on my experience in preparing siting studies for four similar projects, we  
13 look for sites that have four primary attributes: (1) the site is properly zoned for  
14 industrial uses, or a rezone is appropriate; (2) the site can be served with an adequate  
15 water supply; (3) the site can be served with an adequate natural gas supply; and (4)  
16 the site can be connected to a transmission line to transmit the power. The first  
17 attribute causes you to seek sites that are within industrially-zoned areas of cities, and  
18 the proposed site for the Sumas Energy project is within the City of Sumas' industrial  
19 area. The second attribute is water. As discussed more fully in Burt Clothier's  
20 testimony, the City has adequate water supplies to serve the project, and has  
21 committed to provide the water required by the plant. The third is the natural gas  
22 supply. The proposed site is across the highway from an existing power plant. While  
23 approximately 4.5 miles of natural gas pipeline will be needed for this project, the site  
24 location will allow the project to share the existing pipeline right-of-way, thus  
25 minimizing the disturbance to existing land uses, and eliminating the need to create a  
26 new pipeline corridor. The fourth is access to transmission lines. Sumas Energy has  
27 proposed a transmission line route which provides the shortest possible connection to  
28 the Northwest power grid.  
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1 **Q. Mr. Sagert testifies that locating a project close to an international border area**  
2 **"creates additional questions which need to be addressed through agreements**  
3 **and cooperation with the appropriate governmental jurisdictions." Is this**  
4 **testimony accurate?**  
5  
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7  
8 **A.** Yes. As discussed in more detail in Charles Martin's and Eric Hansen's testimony, SE2  
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10 and its consultants have been meeting and coordinating with Canadian government  
11  
12 authorities to address their issues and obtain necessary approvals for the portions of  
13  
14 the project within Canada.  
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19 **END OF REBUTTAL TESTIMONY**  
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21 I declare under penalty of perjury that the foregoing testimony is true and correct to  
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23 the best of my knowledge.  
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